

Proposal

Scope of Work

Item 1 - INSIGHT Market Analytics – 1 Year

- Update Market Analytics report for Placerville including: (1) Downtown Placerville, (2) Broadway Corridor, (3) Placerville Corridor and (3) City of Placerville.

Compensation \$3,000 (Fixed Fee)

Item 2 - Business Attraction Marketing and Outreach Efforts

- Create marketing packet.
- Networking events (ICSC – Las Vegas, Los Angeles, and Monterey).
- Pursue marketing and outreach efforts to targeted retail possibilities.
- Attraction of retail to Placerville via our network of actively expanding retailers.
- On-going follow-up and discussions with interested retailers.

Compensation Structure for Business Attraction

ECONSolutions is proposing doing the attraction, marketing, and outreach efforts on a contingency basis. Compensation will **only** occur if a new retailer opens. After the first year of the opening anniversary of a retailer secured by ECONSolutions billing will occur and represent a percentage of the annual sales tax revenue generated for the retail type.

The City will be billed annually based on the fee generated within the calendar year after the first anniversary of the retailers' opening; the second payment will be billed on the second anniversary of the retailers opening; the third payment will be billed on the third anniversary of opening. The business attraction services fee will be 15% of the annual sales tax revenue generated and will terminate after the third payment has been assessed. Below is an example of average annual regional sales revenue generated by retail type and the associated annual performance fee.

Performance Fee Examples:

Retail Type	Average Annual Regional Sales Revenue Generated	Annual Performance Fee*
Casual Dining	\$30,000	\$4,500
Fast Casual	\$15,000	\$2,250
Quick Service Restaurant	\$10,000	\$1,500
Specialty Grocer	\$20,000	\$3,000
Small Retail (4K-9K SF)	\$12,000	\$1,800
Jr. Anchor Retail (10K-19K SF)	\$18,000	\$2,700
Mid-size Retail (20K-35K SF)	\$30,000	\$4,500
Large Size Retail (36K+ SF)	\$45,000	\$6,750

*Note – Annual Performance Fee is paid three times over a three-year period

Term

Three-year term that can be extended; if mutually agreed by both parties.

Representatives

The consultant representing HdL shall be Barry Foster, Managing Director along with staff support from Elisa Grey, Senior Associate and Keala Mare, Analyst. The staff representative for the City of Placerville will be Cleve Morris, City Manager.

Accepted by HdL:



Barry Foster
Managing Director

8/13/18

Date

Accepted by Placerville:



Cleve Morris,
City Manager

8/17/18

Date